

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities:
Investment Auto Submission Date: 2012-02-28
Date of Last Investment Detail Update: 2012-02-28
Date of Last Exhibit 300A Update: 2012-07-23
Date of Last Revision: 2012-02-28

Agency: 009 - Department of Health and Human Services **Bureau:** 38 - Centers for Medicare and Medicaid Services

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: CMS Durable Medical Equipment (DME) Claims Processing

2. Unique Investment Identifier (UII): 009-000004254

Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

This investment supports the VIPS Medicare system (VMS) software and is a critical component of the Fee For Service (FFS) program, processing millions of Medicare claims a year, supporting Medicare's mission to provide quality health care to beneficiaries. The VMS claims processing system is one the shared systems used to process claims for physician services, diagnostic tests, ambulance services, DMEPOS and other services/supplies that are not covered by Part A. It interfaces directly with the Common Working File (CWF) for verification, validation, and payment authorization. VMS includes much of the Part B functionality for claims collection, editing, pricing, adjudication, correspondence, on-line inquiry, file maintenance, financial processing and reporting. VMS also includes Certificate of Medical Necessity requirements and supplier interfaces. The FFS claims processing environment is distributed across four claims processing modules and one integrated testing module. The VMS claims processing system has four quarterly releases that control, implement, and update software changes due to legislative mandates that dictate the amount of payment for services or coverage levels. Additionally, VMS must also implement changes needed to support the Medicare Administrative Contractor (MAC) authority for the Medicare Fee for Service Program. Software changes for the claims processing operations are managed in quarterly releases developed through a change control

process that begins with the Medicare Change Control Board (MCCB) review and prioritization of pending requests. The FFS Operations Board approves the quarterly releases with oversight by the FFS Governance Council and manages/integrates day-to-day operations of the FFS program across CMS. Error-free releases that implement legislative mandates with minimal interruption to processing ensure that beneficiaries receive the correct service and providers receive the correct payment.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

The ViPS Medicare System (VMS) software is a critical component of the Fee For Service (FFS) program, processing millions of Medicare claims a year, supporting Medicare's mission to provide quality health care to beneficiaries and the Federal Health IT policy principle. The VMS software directly supports Improved Financial Performance, as it is an essential component for ensuring that accurate Durable Medical Equipment, Prosthetics, Orthotics, & Supplies (DMEPOS) payments are made for medically necessary services and provided to eligible beneficiaries by qualified providers of care. Not funding VMS system would be detrimental to Medicare, causing harmful delays in processing/ payment of DMEPOS claims, reducing the access, availability, and provision of health care services to beneficiaries.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

The VMS claims processing system implemented four quarterly releases that controlled, implemented, and refreshed software due to legislative mandates that dictated the amount of payment for services or coverage levels.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

The VMS claims processing system will implement four quarterly releases that control, implement, and refresh software due to legislative mandates that dictate the amount of payment for services or coverage levels.

5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

2011-02-01

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$0.0	\$0.0	\$0.0	\$0.0
DME (Excluding Planning) Costs:	\$0.0	\$0.0	\$0.0	\$0.0
DME (Including Planning) Govt. FTEs:	\$0.0	\$0.0	\$0.0	\$0.0
Sub-Total DME (Including Govt. FTE):	0	0	0	0
O & M Costs:	\$40.6	\$22.4	\$18.2	\$18.0
O & M Govt. FTEs:	\$1.4	\$0.5	\$0.5	\$0.5
Sub-Total O & M Costs (Including Govt. FTE):	\$42.0	\$22.9	\$18.7	\$18.5
Total Cost (Including Govt. FTE):	\$42.0	\$22.9	\$18.7	\$18.5
Total Govt. FTE costs:	\$1.4	\$0.5	\$0.5	\$0.5
# of FTE rep by costs:	12	4	4	4
Total change from prior year final President's Budget (\$)		\$7.6	\$2.3	
Total change from prior year final President's Budget (%)		49.71%	13.90%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

The current funding levels for this investment were developed through the CMS' annual CPIC process. The funding levels for DME claims processing do not equal the President's Budget because the CMS portfolio has been adjusted to reflect re-evaluated Agency priorities.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	7530	HHSM500020036	500020036	7530							
Awarded	7530	HHSM500T0008	HHSM5002007000211	7530							
Awarded	7530	HHSM500T0008	HHSM5002007000211	7530							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

This is a Steady State investment, for which earned value is not required. However, cost and schedule performance data, including variances, are monitored as is operational performance.

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities:

Section B: Project Execution Data

Table II.B.1 Projects					
Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
NONE					

Activity Summary								
Roll-up of Information Provided in Lowest Level Child Activities								
Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
NONE								

Key Deliverables								
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
NONE								

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
The Number of P1 & P2 issues post production	Number	Customer Results - Service Quality	Under target	5.000000	0.000000		0.000000	Quarterly
Accuracy and technical excellence of contract deliverables and reports based on monthly status report.	Percentage	Process and Activities - Management and Innovation	Over target	95.000000	100.000000		100.000000	Monthly
The percentage of change requests delivered to BETA on schedule.	Percentage	Process and Activities - Cycle Time and Timeliness	Over target	95.000000	100.000000		100.000000	Quarterly
Adherence to budget / cost control discipline (as measured by percent below or above planned budget)	Percentage	Process and Activities - Financial	Under target	10.000000	10.000000		10.000000	Monthly
The percentage of incidents that were closed timely and efficiently as a result of one help desk interaction.	Percentage	Customer Results - Timeliness and Responsiveness	Over target	90.000000	100.000000		100.000000	Monthly